U.S. DEPARTMENT OF STATE Office of the Spokesperson

For Immediate Release 18, 2012 2012/1172

July

MEDIA NOTE

The Art of Smart Power

The following op-ed written by Secretary Clinton appears in New Statesman:

As the balance of world power shifts, the US is developing a novel range of diplomatic, social, economic, political and security tools to fix the world's complex new geopolitical problems.

I touched down in Beijing in May for the fourth round of the US-China Strategic and Economic Dialogue with a jam-packed agenda, but the world's attention was focused instead on the fate of a blind human rights dissident who had sought refuge in the American embassy. Suddenly, an already delicate trip had become an outsized test of the US-China relationship.

Throughout history, the rise of new powers usually has played out in zero-sum terms. So it is not surprising that the emergence of countries such as China, India and Brazil has raised questions about the future of the global order that the United States, the United Kingdom and our allies have helped build and defend. Against this backdrop, those few days in May took on even greater significance: could the US and China write a new answer to the old question of what happens when an established power and rising power meet?

When I became secretary of state in early 2009, there were questions about the future of America's global leadership. We faced two long and expensive wars, an economy in free fall, fraying alliances and an international system that seemed to be buckling under the weight of new threats.

A lot has changed in three years. Under President Obama's leadership, the US has ended the war in Iraq and begun a transition in Afghanistan; we have revitalised American diplomacy, strengthened our alliances and re-engaged with multilateral institutions. And while the economic recovery is not as strong as anyone would like, we have pulled back from the brink and are heading in the right direction.

New powers are playing a greater role on the world stage. But this is not 1912, when friction between a declining Britain and a rising Germany set the stage for global conflict. It is 2012, and a strong America is working with new powers and partners to update an international system designed to prevent global conflict and promote global prosperity.

Today, the great powers are at peace and no totalitarian empire threatens the world as it did during the Second World War and the cold war. But we face different challenges – from the

financial crisis and growing income inequality to climate change, nuclear proliferation and international terrorism – that spill across borders and defy unilateral solutions. At the same time, political and technological changes are allowing huge numbers of people around the world to influence events as never before. And new players, from those emerging economic powers to non-state actors such as corporations and cartels, are reshaping the international landscape.

So the geometry of global power is becoming more distributed and diffuse even as the challenges we face become more complex and cross-cutting. That means that building coalitions for common action is becoming both more complicated and more crucial.

Still, amidst all this change, two constants remain. First, as the world becomes ever more interconnected and interdependent, a just, open and sustainable international order is required to promote global peace and prosperity. And second, that order depends on American economic, military and diplomatic leadership, which has underwritten global peace and prosperity for decades.

The United States is leading in new ways that fit a new time – a time of complex challenges and scarce resources. Of course the day-to-day work of foreign policy has to contend with the crises of the moment, but we are also working to prioritise our long-term investments in the areas of greatest opportunity and consequence, as well as the areas of greatest threat.

For the US, our historical alliances in Europe and east Asia remain the bedrock of our global leadership. The UK and other allies are our partners of first resort, working side by side on everything from stopping Iran's quest for nuclear weapons to protecting civilians in Libya to achieving an Aids-free generation. We have worked together for decades to shape the global order and to defend its core principles, and the future of that order depends on the enduring strength of our partnership.

Yet, as strong as our historical alliances are, we also recognise the need to work with new partners. Because new regional and global centres of influence are quickly emerging – and not just India and China but also countries such as Turkey, Mexico, Brazil, Indonesia and South Africa, as well as Russia. Some of these are democracies that share many of our core values; others have very different political systems and perspectives. Aligning our interests isn't always easy – we're seeing just how difficult it can be on Syria. But we have also had successes, maintaining broad-based pressure on Iran and North Korea. And we have seen the value of engaging not just bilaterally, but in multilateral settings such as the G20, where norms can be shaped and shared. For the US, working with these new players in the years ahead, encouraging them to accept the responsibility that comes with influence and ensuring their full integration into the international order is a critical test for our diplomacy.

A zero-sum approach will only lead to negative-sum results. So we need to find areas where we can work together and strengthen diplomatic mechanisms that build trust and help manage our differences. The Strategic and Economic Dialogue with China that brought me to Beijing in May

is a good example. The US-India Strategic Dialogue, which we held in Washington in June, is another. These wide-ranging talks bring together hundreds of experts and officials from both sides to tackle a long list of common concerns.

Our aim is to embed expanding bilateral relationships in a robust international order: to strengthen and mature effective regional and global institutions that can mobilise common action and settle disputes peacefully; to build consensus around rules and norms that help manage relations between peoples, markets and nations; and to establish security arrangements that provide stability and build trust.

For this to succeed, we have to work together with emerging powers to renovate the global architecture to reflect better the dynamics of today's world. For example, we are pulling together new groups of nations to work on specific issues, as in the Global Counterterrorism Forum that we launched last September, or our new Climate and Clean Air Coalition, which is targeting the short-lived pollutants that account for up to 30 per cent of global warming. And we recognise that some international rules and institutions designed for an earlier age have to be rethought and reconfigured.

But as we do this, there are universal principles that undergird the international order and must be defended: fundamental freedoms and universal human rights; an open, free, transparent and fair economic system; the peaceful resolution of disputes; and respect for the territorial integrity of states. These are norms that benefit everyone and that help all people and nations live and trade in peace.

The international system based on these principles helped fuel, not foil, the rise of emerging powers such as China and India. Those nations have benefited from the security it provides, the markets it opens and the trust it fosters. As a consequence, they have a stake in the success of that system. And as their power and capacity grow, they will rightly face increasing expectations – from the world to shoulder a share of common challenges abroad and from their own people to solve problems at home.

To understand how engaging emerging powers within this kind of framework can deliver results, consider the East Asia Summit.

It brings together the leaders of all the leading nations in the Asia-Pacific to grapple with the region's biggest challenges and pursue comprehensive solutions, whether on non-proliferation, disaster response, or maritime security. Until last year, the US was not a full member. But this past November, we officially joined and committed to help the summit become the premier regional forum for political and security matters.

High on the agenda was the South China Sea. The South China Sea connects many of the nations of the Asia-Pacific, some of which have competing claims on its waters and islands. Half the world's merchant tonnage flows through the South China Sea, so the stakes for maritime security and freedom of navigation are high. Trying to settle such complex disputes bilaterally, one on one, is a recipe for confusion and even confrontation. That is why when President

Obama joined his fellow leaders at the East Asia Summit, they convened a discussion with all the major players on a framework for advancing a comprehensive regional solution. Recent renewed tensions in the South China Sea only underscore the importance of pursuing such a multilateral approach.

Over the past three years, the Obama administration has made it a priority to engage with regional institutions like the East Asia Summit and with increasingly effective regional actors like the Arab League and the African Union. Just a few years ago, some of these institutions lacked both capability and credibility. That's changing fast. And this presents an opportunity to bring nations together to promote regional stability and security in hotspots like the South China Sea or the Horn of Africa.

Continuing difficulties in the eurozone are a reminder that effective regional co-ordination and integration is no simple challenge. However, Europe's experience also shows the benefits this approach can bring. A continent riven for centuries by conflict and divisions managed to achieve unprecedented peace and prosperity by opening its borders, integrating its economies and co-ordinating its policies. This historic project is not complete, and in these difficult days it is essential to keep working towards a Europe that is whole, free, democratic and at peace.

All of these strategies to address the rise of new powers and the demands of a shifting international landscape reflect a fundamental lesson about what it takes to lead and to solve problems in today's complex world. It is no longer enough to be strong. Great powers also have to be savvy and persuasive. The test of our leadership going forward will be our ability to mobilise disparate people and nations to work together to solve common problems and advance shared values and aspirations. To do that, we need to expand our foreign policy toolbox, integrate every asset and partner, and fundamentally change the way we do business. I call this approach smart power.

For example, we recognise that countries such as China, India and Brazil are gaining influence less because of the size of their armies than because of the growth of their economies. And we have learned that our national security today depends on decisions made not just in diplomatic negotiations and on the battlefield, but also in the financial markets and on factory floors. So the US has made it a priority to harness more effectively the tools of global economics to advance our strategic aims abroad. That might mean finding innovative financial levers to ratchet up pressure on Iran's nuclear programme, or forming new public-private partnerships that put corporate energy and expertise to work on such challenges as climate change and food security. We are also focused on boosting our economy at home through a greater emphasis on economic statecraft and what I call jobs diplomacy.

Here's another example: a defining feature of our age is that people – especially young people empowered by new connection technologies – have become a strategic force in their own right. All governments, even authoritarian regimes, are learning that they cannot ignore the needs and aspirations of their citizens. And as we have seen in the Middle East and North Africa, this has profound implications for regional and global stability.

So we are exploring new ways to reach beyond traditional government-to-government relations and engage directly with people around the world. That means using technologies such as Twitter and SMS to open dialogues with everyone from civil society advocates in Russia to farmers in Kenya to students in Colombia. But it also means advancing a comprehensive agenda to support effective democratic transitions in places such as Tunisia, Egypt, and Libya and championing the universal rights of people everywhere. In today's world, this is a hallmark of American leadership and a strategic imperative.

My experiences as secretary of state have reaffirmed the link between standing up for human dignity abroad and ensuring national security at home. It is no coincidence that many of the places where we see the most instability and conflict are also places where women are abused and denied their rights, young people are ignored, minorities are persecuted and civil society is curtailed. Think of the Taliban burning down girls' schools in Afghanistan, or the use of mass rape as a weapon of war in Congo. These kinds of abuses aren't just symptoms of instability – they actually drive instability.

By the same token, it is also no coincidence that many of our closest allies are countries that embrace pluralism and tolerance, equal rights and equal opportunities. These are not western values, they are universal values. So, it is in our interest to help those who have been historically excluded to become full participants in the economic and political lives of their countries. And it is in our interest to support citizens working for democratic change, whether they are in Tunis or Rangoon. Otherwise, we will keep facing the same cycles of conflict and volatility.

In particular, empowering women and girls around the world is crucial to seizing long-term opportunities for promoting peace, democracy and sustainable development. We know that when women have the opportunity to contribute, they can drive social, political and economic progress not just for themselves, but for entire societies. Goldman Sachs has reported that reducing barriers to women's participation in the workforce would increase America's GDP by 9 per cent, increase the eurozone's by 13 per cent and Japan's by 16 per cent. That is growth we cannot afford to pass up. So we've made expanding opportunities for women a cornerstone of America's foreign policy. We've launched ambitious efforts to increase women's participation in the economy by opening access to credit and markets, to enhance the role of women in resolving conflicts and maintaining security, and to focus global health programmes on the needs of mothers, who are linchpins of entire communities.

Whether it is elevating an institution such as the East Asia Summit to provide a forum for regional co-operation, using new economic tools such as hi-tech sanctions to advance strategic ends, or engaging directly with civil society to take on scourges such as corruption or extremism, the common thread running through all our efforts is a commitment to adapt America's global leadership for the needs of a changing world.

And even as we seek out new partnerships and new ways of solving problems, there will continue to be times when the US will and must act boldly, directly and alone – for example, to

pursue Osama Bin Laden. Such occasions will be rare, and we will turn to them only as a last resort, but we take seriously our responsibilities as a global leader and our responsibilities to the American people.

All of this – the changing international landscape, the complex demands on America's global leadership and our efforts to revitalise diplomacy for the 21st century – was on my mind as I arrived in Beijing on that tense day in May. And it gave me confidence as we negotiated our way through the week. In the end, the relationship we have worked so hard to build with China proved more durable and dynamic than many feared. Both countries stayed focused on our shared agenda and engaged candidly on a wide range of critical issues, from cyber-security to North Korea to the South China Sea. And today, that blind dissident is safely studying law in New York.

America and our allies have come through a long decade of war, terrorism and recession. These continue to be difficult days for many of our citizens. But as I travel the world, I see evidence that our leadership is still respected and required. Yes, this is because of our military and our material might, but it is also because of our commitment to fairness, justice, freedom and democracy – not just to our own good, but to the greater good.

There is no real precedent in history for the role we play or the responsibility we have shouldered, and there is no alternative. That is what makes American leadership so exceptional, and it is why I am confident that we will continue to serve and defend a peaceful and prosperous global order for many years to come.